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Financial reports and audited financial statements, and reports of the Board of Auditors

Report of the Fifth Committee

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I. Introduction

1. At its 2nd plenary meeting, on 16 September 2016, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-first session the item entitled:

"Financial reports and audited financial statements, and reports of the Board of Auditors:

"(a) United Nations;

"(b) United Nations peacekeeping operations;

"(c) International Trade Centre;

"(d) United Nations University;

"(e) Capital master plan;

"(f) United Nations Development Programme;

"(g) United Nations Capital Development Fund;

"(h) United Nations Children's Fund;

"(i) United Nations Relief and Works Agency for Palestine Refugees in the Near East;

"(j) United Nations Institute for Training and Research;

"(k) Voluntary funds administered by the United Nations High Commissioner for Refugees;

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"(l) Fund of the United Nations Environment Programme;

"(m) United Nations Population Fund;

"(n) United Nations Human Settlements Programme;

"(o) United Nations Office on Drugs and Crime;

"(p) United Nations Office for Project Services;

"(q) United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women);

"(r) International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994;

"(s) International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991;

"(t) International Residual Mechanism for Criminal Tribunals;

"(u) United Nations Joint Staff Pension Fund."

2. The Fifth Committee considered the item at its 6th, 14th, 17th, 20th and 23rd meetings, on 18 October, 28 November and 5, 13 and 23 December 2016. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records.[1]

3. For its consideration of the item, the Committee had before it the following documents:

(a) Financial reports and audited financial statements for the year ended 31 December 2015 and reports of the Board of Auditors on the United Nations (A/71/5 (Vol. I)), the International Trade Centre (A/71/5 (Vol. III)), the United Nations University (A/71/5 (Vol. IV)), the capital master plan (A/71/5 (Vol. V)), the United Nations Development Programme (A/71/5/Add.1), the United Nations Capital Development Fund (A/71/5/Add.2), the United Nations Children's Fund (A/71/5/Add.3), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (A/71/5/Add.4), the United Nations Institute for Training and Research (A/71/5/Add.5), the voluntary funds administered by the United Nations High Commissioner for Refugees (A/71/5/Add.6), the Fund of the United Nations Environment Programme (A/71/5/Add.7), the United Nations Population Fund (A/71/5/Add.8), the United Nations Human Settlements Programme (A/71/5/Add.9), the United Nations Office on Drugs and Crime (A/71/5/Add.10), the United Nations Office for Project Services (A/71/5/Add.11), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) (A/71/5/Add.12), the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International

[1] A/C.5/71/SR.6, A/C.5/71/SR.14, A/C.5/71/SR.17, A/C.5/71/SR.20 and A/C.5/71/SR.23.

Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 (A/71/5/Add.13), the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 (A/71/5/Add.14), the International Residual Mechanism for Criminal Tribunals (A/71/5/Add.15), the United Nations Joint Staff Pension Fund (A/71/5/Add.16) and the fifth annual progress report of the Board of Auditors on the implementation of the United Nations enterprise resource planning system (A/71/180);

(b) Note by the Secretary-General transmitting the concise summary of the principal findings and conclusions contained in the reports of the Board of Auditors for the annual financial period 2015 (A/71/558);

(c) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report on the capital master plan for the year ended 31 December 2015 (A/71/331);

(d) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations funds and programmes for the year ended 31 December 2015 (Part I) and (Part II) (A/71/331/Add.1 (Part I) and A/71/331/Add.1 (Part II));

(e) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report on the United Nations for the year ended 31 December 2015 (A/71/331/Add.2);

(f) Report of the Secretary of the United Nations Joint Staff Pension Board on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2015 on the United Nations Joint Staff Pension Fund (A/71/397);

(g) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/71/669).

4. At the 6th, 14th, 17th and 20th meetings, on 18 October, 28 November and 5 and 13 December, the Chair of the Audit Operations Committee of the Board of Auditors introduced the reports of the Board.

II. Consideration of draft resolution A/C.5/71/L.7

5. At its 23rd meeting, on 23 December, the Committee had before it a draft resolution entitled "Financial reports and audited financial statements, and reports of the Board of Auditors" (A/C.5/71/L.7), submitted by the Chair of the Committee on the basis of informal consultations coordinated by the representative of Kenya.

6. At the same meeting, the Committee adopted draft resolution A/C.5/71/L.7 without a vote (see para. 7).

III. Recommendation of the Fifth Committee

7. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Recalling its resolution 52/212 B of 31 March 1998 and its decision 57/573 of 20 December 2002,

Recalling also its resolutions 70/238 A of 23 December 2015, 70/238 B of 1 April 2016 and 70/238 C of 17 June 2016,

Having considered, for the period ended 31 December 2015, the financial reports and audited financial statements and the reports of the Board of Auditors on the United Nations,[1] the International Trade Centre,[2] the United Nations University,[3] the capital master plan,[4] the United Nations Development Programme,[5] the United Nations Capital Development Fund,[6] the United Nations Children's Fund,[7] the United Nations Relief and Works Agency for Palestine Refugees in the Near East,[8] the United Nations Institute for Training and Research,[9] the voluntary funds administered by the United Nations High Commissioner for Refugees,[10] the Fund of the United Nations Environment Programme,[11] the United Nations Population Fund,[12] the United Nations Human Settlements Programme,[13] the United Nations Office on Drugs and Crime,[14] the United Nations Office for Project Services,[15] the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women),[16] the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994,[17] the International

[1] *Official Records of the General Assembly, Seventy-first Session, Supplement No. 5*, vol. I (A/71/5 (Vol. I)).
[2] Ibid., vol. III (A/71/5 (Vol. III)).
[3] Ibid., vol. IV (A/71/5 (Vol. IV)).
[4] Ibid., vol. V (A/71/5 (Vol. V)).
[5] Ibid., *Supplement No. 5A* (A/71/5/Add.1).
[6] Ibid., *Supplement No. 5B* (A/71/5/Add.2).
[7] Ibid., *Supplement No. 5C* (A/71/5/Add.3).
[8] Ibid., *Supplement No. 5D* (A/71/5/Add.4).
[9] Ibid., *Supplement No. 5E* (A/71/5/Add.5).
[10] Ibid., *Supplement No. 5F* (A/71/5/Add.6).
[11] Ibid., *Supplement No. 5G* (A/71/5/Add.7).
[12] Ibid., *Supplement No. 5H* (A/71/5/Add.8).
[13] Ibid., *Supplement No. 5I* (A/71/5/Add.9).
[14] Ibid., *Supplement No. 5J* (A/71/5/Add.10).
[15] Ibid., *Supplement No. 5K* (A/71/5/Add.11).
[16] Ibid., *Supplement No. 5L* (A/71/5/Add.12).
[17] Ibid., *Supplement No. 5M* (A/71/5/Add.13).

Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991,[18] the International Residual Mechanism for Criminal Tribunals[19] and the United Nations Joint Staff Pension Fund,[20] the fifth annual progress report of the Board of Auditors on the implementation of the United Nations enterprise resource planning system,[21] the note by the Secretary-General transmitting the concise summary of the principal findings and conclusions contained in the reports of the Board of Auditors for the annual financial period 2015,[22] the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports on the capital master plan,[23] on the United Nations[24] and on the United Nations funds and programmes[25] for the year ended 31 December 2015, the report of the Secretary of the United Nations Joint Staff Pension Board on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2015 on the United Nations Joint Staff Pension Fund[26] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[27]

1. *Takes note* of the audit opinions and findings, and endorses the recommendations, contained in the reports of the Board of Auditors;[1-21]

2. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;[27]

3. *Reaffirms* that the Board of Auditors shall be completely independent and solely responsible for the conduct of audits;

4. *Decides* to consider further the reports of the Board of Auditors on the International Criminal Tribunal for Rwanda,[17] the International Tribunal for the Former Yugoslavia[18] and the International Residual Mechanism for Criminal Tribunals[19] under the respective agenda items relating to the Tribunals and the Mechanism;

5. *Also decides* to consider further the report of the Board of Auditors on the United Nations Joint Staff Pension Fund[20] under the agenda item relating to the United Nations Joint Staff Pension Fund;

6. *Commends* the Board of Auditors for the continued high quality of its reports and the streamlined format thereof;

7. *Takes note* of the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2015 on the United Nations[24] and on the United Nations funds and programmes;[25]

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[18] Ibid., *Supplement No. 5N* (A/71/5/Add.14).
[19] Ibid., *Supplement No. 5O* (A/71/5/Add.15).
[20] Ibid., *Supplement No. 5P* (A/71/5/Add.16).
[21] A/71/180.
[22] A/71/558.
[23] A/71/331.
[24] A/71/331/Add.2.
[25] A/71/331/Add.1 (Part I) and (Part II).
[26] A/71/397.
[27] A/71/669.

8. *Reiterates its request* to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board of Auditors and the related recommendations of the Advisory Committee in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board;

9. *Reiterates its request* to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board of Auditors a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that are two or more years old;

10. *Also reiterates its request* to the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board of Auditors, as well as the priorities for their implementation and the office holders to be held accountable.

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